

ARENA ADVISORY MEETING

Friday, June 25, 2010
Everett Arena 8:00 AM

Present: Tom Ackerson, Gerry Blanchette, Mike Gfroerer, Councilor Mark Coen, Dan Arndt, Arena & Properties Manager Jeff Bardwell

Excused: Nick Wallner, David Palisi, Bob Lachapelle, Councilor Dick Patten

Meeting called to order at 8:00 AM

New advisory member Dan Arndt was introduced, Mark Coen gave a brief overview of the enterprise fund and its function with the arena and city government.

Space Needs

Since the last advisory meeting in March Gerry Blanchette provided Jeff Bardwell with some estimated building costs for a second sheet of ice for the purpose of reviewing in a proforma to see if it was financially feasible. Jeff Bardwell asked Gerry Blanchette to give a brief explanation about the information he provided regarding building square foot costs for adding a second sheet of ice. Gerry explained the process he used through RS Means to come up with a cost of \$175/sf, add to this the cost of rink boards and contingency it brings the construction costs to approximately five million dollars.

Jeff Bardwell explained he prepared two proformas for this study, the first with the actual additional ice needs of customers factored in with the additional revenue this would produce through ice rental, additional public skate, summer ice, increase in both snack bar and pro shop revenue and the some additional shows. Operational expenses were adjusted in labor, utilities and supplies. Bonding the five million over 20 years in this scenario places the arena fund position in the negative over \$500,000 a year extending out past 2018. Bonding five million in this scenario is not feasible.

The second proforma prepared was a best case scenario of doubling the ice sales and the same additional revenue as above through additional public skate, summer ice, increase in both snack bar and pro shop revenue and the some additional shows and the same adjustment was made to operational expenses. Bonding the five million over 20 years in the best case scenario still places the arena fund in a negative position of 30,000 in net change extending out to 2018. Even in the best case scenario bonding five million for a second sheet is not feasible.

Tom Ackerson asked how much could the arena afford to bond if private donations were added to offset some of the five million. Jeff Bardwell indicated he would have to look into it and get back with an answer. Mark Coen thought that probably half the amount could be bonded; Gerry Blanchette felt that less than half would be more feasible. Discussion on the number of arenas that are now competing with in a twenty mile radius of Concord and the number of programs being offered took place. There are ten arenas including the Everett with in a twenty mile radius of Concord, two of which are dual sheets which makes the total number of ice sheets to twelve. Mike Gfroerer indicated that based on the information provided there was no point going forward with the second sheet of ice at this time.

Mark Coen asked about the utilization of the facility, Jeff Bardwell explained the ice utilization for prime time ice was at 95% and there was more potential in the non ice activities. Discussion took place of other activities within the park, skate park and boat house. Mark Coen indicated he would still like to see something done with the main entrance to be more welcoming. Dan Arndt commented that side entrance is the one used by most people. Jeff Bardwell explained it would make sense if affordable to have a new entrance on the North West side of the building with a new main office, snack bar, pro shop, conference room and a large enough area for people to congregate before or after games. While this would not bring in more revenue we have to stay competitive with what other arenas offer. Discussion took place on how the locker room addition completed in 2001 was necessary to stay competitive in the industry. Jeff Bardwell will work to develop a scope for space needs that will incorporate a new entrance and take into account possible future development.

Floor Replacement Project

Discussion took place regarding the refrigeration floor replacement project scheduled for next summer. Jeff Bardwell met with American Refrigeration to discuss the project and time frame. From start to finish the project is estimated to take eleven weeks. The project should not interfere with the off ice show schedule but the arena would have to open for ice operations one week later than usual. Mike Gfroerer questioned if there was any contingency time built into the project, Jeff Bardwell indicated that this was

time frame American Refrigeration felt it could be accomplished based on the their experience. Jeff Bardwell will check with Manchester as they underwent a floor replacement a few years prior at the JFK. The Everett Arena and JFK were built within a few years of each other back in the 1960's and are very similar buildings and should give a good indication of the time frame. Gerry Blanchette offered to help develop a scope of work and some prequalification guidelines.

Meeting adjourned 9:15 AM

Respectfully Submitted

Jeffrey R. Bardwell
Arena & Properties Manager